



BOND OVERVIEW ADVISORY COMMITTEE (BOAC) MEETING

Presentation by Financial Services staff providing a financial update outlining the impacts of the three year roll-out plan on the debt tax model.

September 2014

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Interim CFO**



Methodology of Issuing Debt

- Managed through a City-Council approved Debt Management Policy

- Maximum Debt Rate of 30 cents per \$100 valuation

- City has not typically issued debt unless it needs the funds for the specific project

- Cash management tool
 - City reimburses itself after incurring expenses related to a project through the issuance of certificates of obligation and other debt obligations
 - Avoids paying interest when borrowing rates are higher than investment opportunities or when the project is not moving forward



GO QOL New Issue During 2014

- **Amount of Issuance: \$14,000,000**
- **Projects funded:**

<u>Description</u>	<u>Total Authorized</u>	<u>Proposed Issuance</u>
Parks and Recreation	\$195,000,000	\$ 8,077,157
Zoo	<u>50,000,000</u>	<u>637,551</u>
Subtotal Proposition One	<u>\$245,000,000</u>	<u>\$ 8,714,708</u>
MCAD & Multi-purpose Arena	\$216,250,000	\$ 4,449,395
Library	<u>12,000,000</u>	<u>835,897</u>
Subtotal Proposition Two	<u>\$228,250,000</u>	<u>\$ 5,285,292</u>
Totals for 2012 Quality of Life	<u>\$473,250,000</u>	<u>\$14,000,000</u>



QOL Projects Funded

Authorization	Amount*	Projects to be reimbursed and funded
Parks and Recreation	\$8,077,157	Land acquisition; park improvements; ponding improvements; skate park; recreation center; pool enclosure improvements
Zoo	\$637,551	Repairs and upgrade of Sea Lion Exhibit; canal improvements; landscaping and roadway work; improvements of support elements
Museum & Multipurpose Culture & Performing Arts Facilities	\$4,449,395	Planning & design of projects, wayfinding and pedestrian improvements; museum improvements; Digital Wall; Arts Festival Plaza improvements
Library	\$835,897	Bookmobile, library branch improvements



CO Funding Update

City of El Paso					
Breakdown of Issuances					
By Funding Source					
As of July 22, 2014					
	March 2010	November 2010	April 2011	June 2012	September 2012
Amount Authorized	\$ 19,767,219	\$ 71,051,142	\$ 66,713,569	\$ 218,400,000	\$ 29,238,924
Plus Additional Authorizations		19,841,219			
Less Non-Debt authorization			1,500,000		
November 2011	4,350,000				
November 2012		2,000,000	20,100,000		2,431,520
October 2013		17,888,507	7,000,000	7,280,000	19,000,000
Proposed June 2014	3,936,351	18,663,786	15,949,314	20,710,844	7,807,404
Remaining Authorization to be Issued	\$ 11,480,868	\$ 52,340,068	\$ 22,164,255	\$ 190,409,156	\$ -



Fall 2014 CO Issuance

Dates of Authorizations	Project Cost
March 2010	\$3,936,351
November 2010*	18,663,786
April 2011	15,949,314
June 2012	20,710,844
September 2012	7,807,404
January 2014**	5,355,000
Total	\$72,422,699
Rounded Issuance Size	\$72,000,000

Note: All project authorizations have been attached to the Plan of Issuance as well as a detailed listing of all projects to be refunded.

*Includes \$13,873,847 in self-supporting debt from Sun Metro

**This issuance is to be funded 100% from Environmental Services Department.



Project Purpose

Purpose	Project Amounts
General	\$42,190,423
Transportation	8,726,290
Technology	2,277,140
Sun Metro (self-funded)	13,873,847
Environmental Fund (self-funded)	5,355,000
Total	\$72,422,699
Rounded Issuance Size	\$72,000,000



Projects to be Funded

Authorization	Amount	Projects to be reimbursed and funded
March 2010	\$3,936,351	Carolina Bridge Improvements; Country Club Road Construction; CBD Phase IV Street & Drainage; Oregon Street Reconstruction; CS-Paseo Del Norte Drive; San Jacinto Plaza; Zaragoza POE Winn; Fiber Interconnectivity and video surveillance projects; Mesa RTS Sidewalk improvements; Mesa RTS Match; Wayfinding Downtown project; Myrtle Street Improvements; Safe Routes to School; Bicycle Paths-Citywide.
November 2010	\$18,663,786	Public Art Projects; Sun Metro Operation and Maintenance Facility; Mesa RTS; Dyer RTS; Montana RTS; Mulligan (Luther) Building and UPTT Improvements



Projects to be Funded (continued)

Authorization	Amount	Projects to be reimbursed and funded
April 2011	\$15,949,314	City-wide facility improvements; Montwood Street Reconstruction; Fire Station #37 and #5 improvements; public art projects; city-wide IT-related infrastructure and equipment; city-wide park improvements; city-wide street and drainage improvements; Mulligan (Luther) Building renovation; park improvements.
June 2012	\$20,710,844	Street improvements to include synchronization of Signal System; resurfacing and microsurfacing of streets, reconstruction of streets; unpaved right of way/alleys, street median and parkway landscaping; pedestrians, sidewalk and parkway improvements; NTMP projects; public art projects.
September 2012	\$7,807,404	City Hall acquisition costs, renovations and capital equipment; City Hall-related street improvements; public art. (Note: This issuance will exhaust this 2012 authorization)
January 2014	\$5,355,000	Land for landfill for Environmental Services



Remaining CO and GO Authorizations after 2014 Issuance

Dates of Authorizations	Project Cost
March 2010	\$11,480,868
November 2010*	52,340,068
April 2011**	22,164,255
June 2012	190,409,156
September 2012	-
Total CO Authorizations Remaining	\$276,394,347
November 2012 QOL Bonds	\$459,250,000

*Includes \$5,840,542 of remaining Sun Metro self-supporting debt, **if resolution is approved**

**Does not include the \$1.5 million in Technology Funds allocated to this project as this \$1.5 million will not need financing.



City of El Paso, Texas

Tax Rate Impact of Current Debt and Proposed Long-Term Debt Issuance

As of June 23, 2014

Projected Impact on the Tax Rate Based on Planned Issuance

FYE	As of June 23, 2014
	Authorized but not Issued ¹
2014	0.2326
2015	0.2505
2016	0.2555
2017	0.2632
2018	0.2742
2019	0.2823
2020	0.2946
2021	0.3025
2022	0.3063
2023	0.3083
2024	0.3008
2025	0.2932
2026	0.2839
2027	0.2805
2028	0.2797
2029	0.2743
2030	0.2707
2031	0.2655
2032	0.2518
2033	0.2127

[Yellow Box] = Maximum Debt Rate

¹This column includes authorizations for projected that will be funded through the issuance of contractual obligations.

Assumptions:

- (1) Assumes annual taxable value growth as follows: 1.50% for 2015-2017, 2.0% for 2018-2020, 2.50% thereafter.
- (2) Net of self-supporting debt and BAB Tax Credit payments.
- (3) Net of Capitalized Interest.



Projected Property Tax Rate - DS			
	Rate w/10 Yr Streets	Rate w/7 Yr Streets	Add on \$1.4 M & \$.5 M four years
2015	\$0.2356	\$0.2356	\$0.2356
2016	0.2480	0.2487	0.2489
2017	0.2543	0.2578	0.2582
2018	0.2652	0.2722	0.2727
2019	0.2741	0.2836	0.2841
2020	0.2863	0.2975	0.2981
2021	0.2941	0.3025	0.3031
2022	0.2980	0.3021	0.3027
2023	0.3001	0.3035	0.3040
2024	0.2928	0.2945	0.2951
2025	0.2854	0.2855	0.2860
2026	0.2764	0.2763	0.2769
2027	0.2732	0.2730	0.2735
2028	0.2724	0.2722	0.2727
2029	0.2671	0.2668	0.2672
2030	0.2637	0.2633	0.2636

Projected Impact on the Tax Rate

After 2014 Refundings, \$14M GO, and CO's

With 2 options

Assumptions:

- (1) Assumes annual taxable value growth as follows: 1.50% for 2015-2017, 2.0% for 2018-2020, 2.50% thereafter.
- (2) Net of self-supporting debt and BAB Tax Credit payments.
- (3) Net of Capitalized Interest.

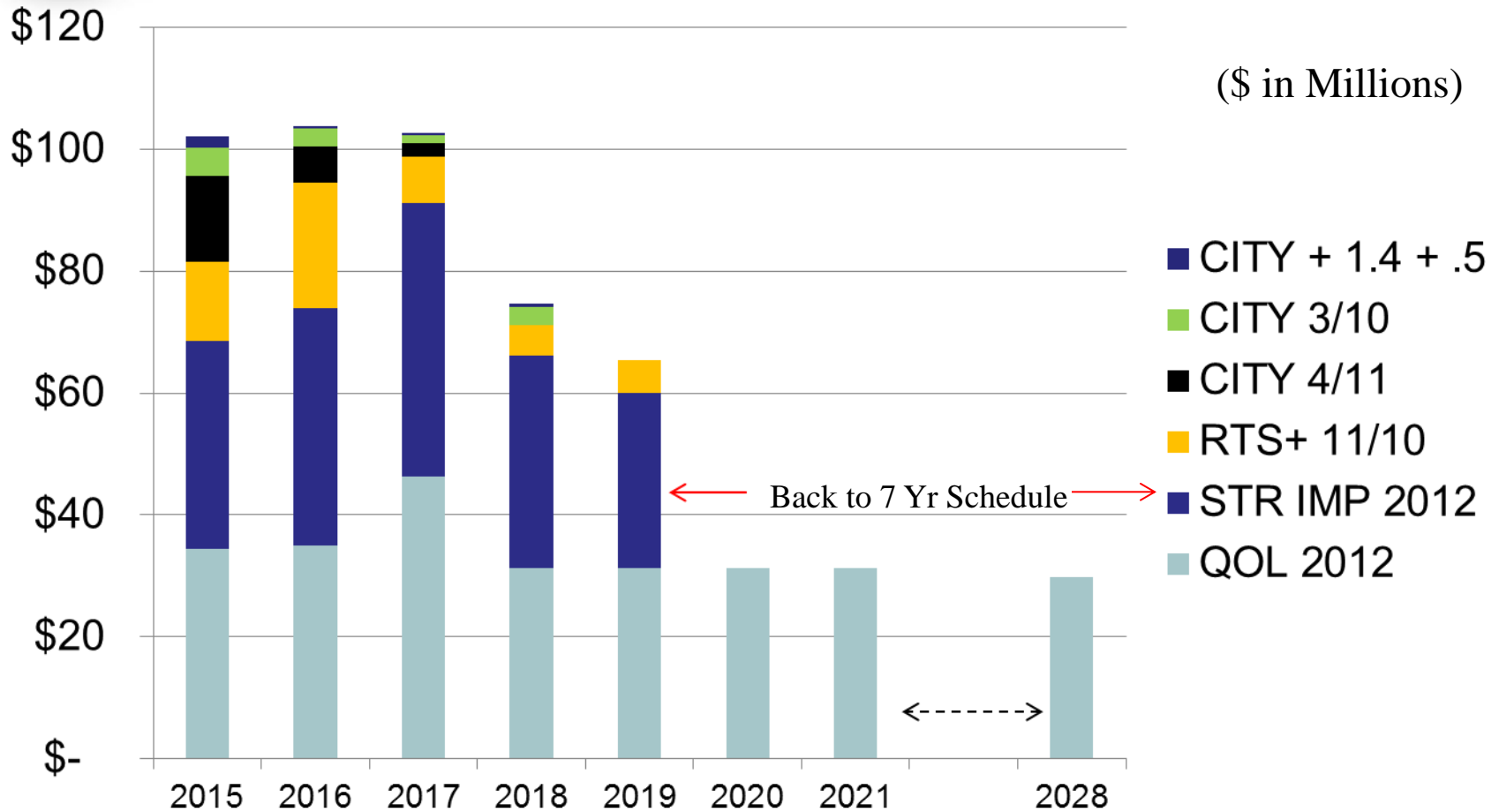


Projected Debt Issuances for Authorizations

SERVICE

SOLUTIONS

SUCCESS





Projected Debt Issuances for Authorizations

SERVICE

SOLUTIONS

SUCCESS

	2015	2016	2017	2018	2019	2020	<-->	2028
CITY 3/10	4,577,439	2,788,448	1,171,744	2,943,238				
CITY 4/11	13,984,255	5,950,000	2,230,000					
RTS+ 11/10	13,161,271	20,450,883	7,602,212		5,285,160			
STR IMP 2012 *	34,104,578	39,104,578	45,000,000	35,000,000	28,800,000			
QOL 2012	34,405,950	34,957,425	46,268,488	31,238,013	31,238,013	31,238,013		31,238,013
Tax Supported	100,233,493	103,251,334	102,272,444	69,181,251	65,323,173	31,238,013		31,238,013

* 7 yr



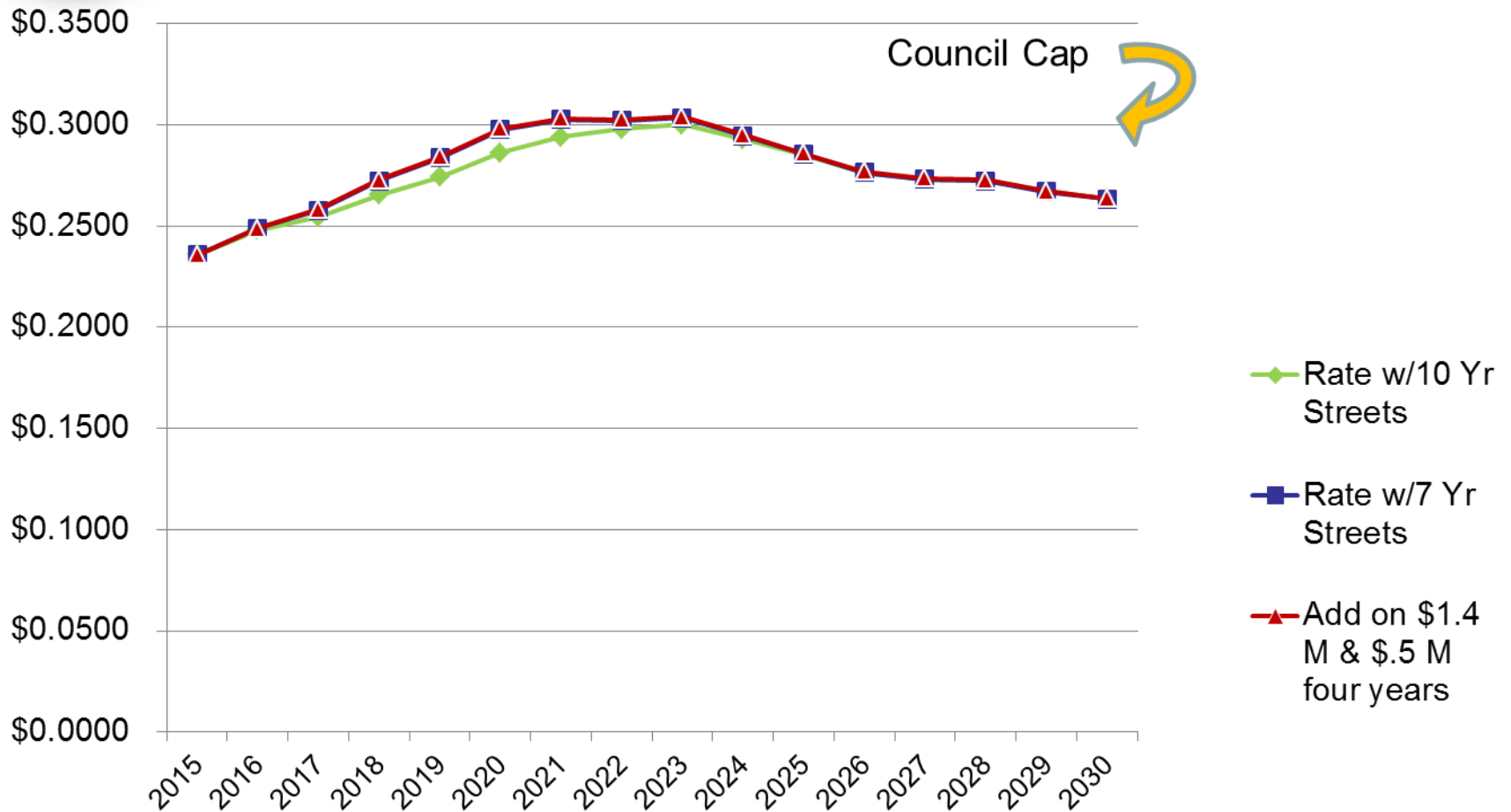
Projected Property Tax Rate for Debt Service

SERVICE

SOLUTIONS

SUCCESS

(Cents per \$100 AV)





Questions?



Proposed Scenario as of May 1, 2014

<i>Description of Authorization</i>	<i>Amount authorized</i>	<i>Amount Issued to Date</i>	<i>Amount Spent To Date as of 4/30/14</i>	<i>Amount of Encumbrances at 4/30/14</i>	<i>Amount of 2014 Issuance</i>	<i>Amount of Unspent Proceeds as of 4/30/14</i>
Approved Transportation Funding - March 2010	19,767,219	4,350,000	4,424,663	3,510,991	3,936,355	3,861,692
Approved Transportation Funding in November 2, 2010	90,892,361	19,888,507	37,342,306	6,057,040	18,663,786	1,209,987
Short-Term CIP Approved on April 19, 2011	65,213,569	27,100,000	41,708,530	13,828,462	15,949,314	1,340,784
2012-2019 Street Infrastructure Plan (June 2012)	218,400,000	7,280,000	19,365,507	10,885,790	20,710,844	8,625,337
City Hall Related Purchases (September 2012)	29,238,924	21,431,520	26,261,850	1,439,747	7,807,404	2,977,074
Totals	423,512,073	80,050,027	129,102,856	35,722,030	67,067,703	18,014,874

ESD 5,355,000

Estimated Issue Size \$ 72,422,703